MORRIS, NICHOLS, ARSHT & TUNNELL LLP

1201 NORTH MARKET STREET
P.O. BOX 1347
WILMINGTON, DELAWARE 19899-1347

302 658 9200
302 658 3989 FAX

JACK B. BLUMENFELD
302 351 9291
302 425 3012 FAX
jblumenfeld@mnat.com

May 1, 2008

The Honorable Joseph J. Farnan, Jr.
United States District Court
For the District of Delaware
844 North King Street
Wilmington, DE 19801

VIA ELECTRONIC FILING

Re: *Sepracor, Inc. v. Dey, L.P., et al.*
C.A. No. 06-113 (JJF) (Consolidated)

Dear Judge Farnan:

During the March 7, 2008 conference, Your Honor directed us to advise you if the Massachusetts litigation against Breath Limited settled. Sepracor and Breath have settled that litigation. A copy of Sepracor's press release of today announcing that settlement is attached.

Respectfully,

Jack B. Blumenfeld

JBB/dlb
Enclosure
cc: Clerk of Court (Via Hand Delivery; w/ encl.)
Steven J. Balick, Esquire (Via Electronic Mail; w/ encl.)
Edgar H. Haug, Esquire (Via Electronic Mail; w/ encl.)
Elizabeth A. Leff, Esquire (Via Electronic Mail; w/ encl.)
Richard Hermann, Esquire (Via Electronic Mail; w/ encl.)
George C. Lombardi, Esquire (Via Electronic Mail; w/ encl.)
Joseph M. O'Malley, Esquire (Via Electronic Mail; w/ encl.)

Press Release

Sepracor Announces Final Settlement of XOPENEX(R) Inhalation Solution Patent Infringement Litigation with Breath Limited

MARLBOROUGH, Mass.--(BUSINESS WIRE)--May 1, 2008--Sepracor Inc. (Nasdaq: SEPR) today announced that it has entered into a Settlement and License Agreement with Breath Limited (Breath), an Arrow Group subsidiary, to resolve the patent litigation involving Sepracor's XOPENEX(R) brand levalbuterol HCl Inhalation Solution products (1.25 mg/3 mL, 0.63 mg/3 mL and 0.31 mg/3 mL). The agreement permits Breath to launch generic versions of these XOPENEX Inhalation Solution dosages under terms of an exclusive license commencing on August 20, 2012. Upon launch, Breath would pay Sepracor a double-digit royalty on gross profits generated from the sales of generic versions of these XOPENEX Inhalation Solution dosages. The parties will promptly file a dismissal without prejudice in the United States District Court for the District of Massachusetts that will conclude this litigation.

Sepracor and Breath also contemporaneously entered into a Supply Agreement whereby, effective August 20, 2012, Sepracor will exclusively supply levalbuterol HCl products (1.25 mg/3 mL, 0.63 mg/3 mL and 0.31 mg/3 mL) to Breath, under Sepracor's New Drug Application (NDA), for a period of 180 days and on a non-exclusive basis for a period of time thereafter. In addition to the royalties described above, Breath will pay Sepracor on a cost plus margin basis for supply of the levalbuterol HCl products. Both the exclusive license under the Settlement and License Agreement and the exclusive supply obligations under the Supply Agreement could become effective prior to August 20, 2012 if a third party launches a generic version of those dosages of XOPENEX Inhalation Solution or if the parties otherwise mutually agree.

"We are very pleased to have reached a resolution of our dispute with Breath, which allows both parties to avoid the uncertainties and significant expenses related to complex patent litigation," said Adrian Adams, President and Chief Executive Officer of Sepracor Inc. "With this lawsuit behind us, Sepracor can continue to focus on leveraging the many opportunities that lay ahead with respect to our current product portfolio and our growing research and development pipeline, in addition to our efforts directed toward achieving success with the recently launched OMNARIS(TM) Nasal Spray product and the expected launch of ALVESCO(R) Inhalation Aerosol later this year."

"We are very pleased to be able to settle this matter," said Ian McAffer, Managing Director of Breath Limited. "This settlement will provide us with the certainty of being in a position to introduce versions of the XOPENEX Inhalation Solution products on a date certain without the burden of litigation."

The settlement agreement is a final settlement of the Breath litigation. The settlement with Breath does not end all disputes related to generic XOPENEX Inhalation Solution products, as litigation against Dey L.P. and Barr Laboratories, Inc. remains pending. In compliance with U.S. law, the Settlement and License Agreement and Supply Agreement will be submitted to the U.S. Federal Trade Commission and Department of Justice and are subject to their review.

About Sepracor

Sepracor Inc. is a research-based pharmaceutical company dedicated to treating and preventing human disease by discovering, developing and commercializing innovative pharmaceutical products that are directed toward serving unmet medical needs. Sepracor's drug development program has yielded a portfolio of pharmaceutical products and candidates with a focus on respiratory and central nervous system disorders. Currently marketed products include LUNESTA(R) brand eszopiclone,

XOPENEX(R) brand levalbuterol HCl Inhalation Solution, XOPENEX HFA(R) brand levalbuterol tartrate Inhalation Aerosol, BROVANA(R) brand arformoterol tartrate Inhalation Solution and OMNARIS(TM) brand ciclesonide Nasal Spray. Sepracor's corporate headquarters are located in Marlborough, Massachusetts.

Forward-Looking Statement

This news release contains forward-looking statements that involve risks and uncertainties, including statements with respect to the timing of introduction of generic versions of XOPENEX Inhalation Solution; Sepracor leveraging opportunities with respect to its current product portfolio and its growing research and development pipeline; achieving success with OMNARIS Nasal Spray; and the expected launch of ALVESCO Inhalation Aerosol later this year. Among the factors that could cause actual results to differ materially from those indicated by such forward-looking statements are: Sepracor's ability to fund, and the results of, further clinical trials with respect to products under development; the timing and success of submission, acceptance, and approval of regulatory filings; the scope of Sepracor's trademarks, patents and the patents of others and the success of challenges by others of Sepracor's patents; the clinical benefits and commercial success of the company's products; Sepracor's ability to realize the benefits of its sales force realignment and to expand its sales force capacity to accommodate the launches of OMNARIS Nasal Spray and ALVESCO Inhalation Aerosol; the ability of the company to attract and retain qualified personnel; the ability of the company to successfully collaborate with third parties; the performance of Sepracor's licensees and other collaboration partners; and certain other factors that may affect future operating results that are detailed in Sepracor's annual report on Form 10-K for the year ended December 31, 2007 filed with the Securities and Exchange Commission.

In addition, the statements in this press release represent Sepracor's expectations and beliefs as of the date of this press release. Sepracor anticipates that subsequent events and developments may cause these expectations and beliefs to change. However, while Sepracor may elect to update these forward-looking statements at some point in the future, it specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing Sepracor's expectations or beliefs as of any date subsequent to the date of this press release.

For a copy of this release or any recent release, visit Sepracor's web site at www.sepracor.com.

CONTACT: Sepracor Inc.
David P. Southwell
Chief Financial Officer
or
Investor Relations
Jonae R. Barnes, 508-481-6700
Sr. Vice President

SOURCE: Sepracor Inc.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release regarding Sepracor Inc.'s business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the Company's Annual Report or Form 10-K for the most recently ended fiscal year.